

(Page 1 of 19)

(Page 1 of 17)

**UTICA NATIONAL INSURANCE GROUP**

ISSUED BY  
Utica National Insurance Group  
Republic Franklin Insurance Company  
P.O. Box 530, Utica, New York 13503  
Telephone: (315) 734-2000

**DECLARATIONS**

INSURANCE AGENTS AND BROKERS  
ERRORS AND OMISSIONS LIABILITY POLICY  
**CLAIMS-MADE BASIS**  
Renewal

**NAMED INSURED AND MAILING ADDRESS**

Borden-Perlman Insurance Agency Inc  
2000 Lenox Drive  
Suite 202  
Lawrenceville, NJ 08648

**LOCATION ADDRESS**

See Attached 14-E-0001

AT 12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE INSURED AS STATED HEREIN. IN RETURN FOR PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

| POLICY NUMBER | POLICY PERIOD |            | PRIOR POLICY NO. |
|---------------|---------------|------------|------------------|
|               | FROM          | TO         |                  |
| 3735507 EO    | 01/01/2013    | 01/01/2014 | 3735507 EO       |

**LIMITS OF LIABILITY****BASIC POLICY COVERAGE**

LEGAL LIABILITY

\$ 5,000,000 EACH LOSS

\$ 5,000,000 AGGREGATE

INSURED'S DEDUCTIBLE AMOUNT

\$ 25,000 EACH LOSS

\$ 75,000 AGGREGATE

DEDUCTIBLE APPLIES TO:

☒ LOSS ONLY☐ LOSS AND LITIGATION EXPENSE**PREMIUMS**

BASIC POLICY PREMIUM

\$ 90,634

REAL ESTATE AGENTS AND BROKERS PREMIUM

\$ 0 (See attached endorsement for details)

MUTUAL FUND AND VARIABLE ANNUITY PREMIUM

\$ 0 (See attached endorsement for details)

EMPLOYMENT-RELATED PRACTICES PREMIUM

\$ 0 (See attached endorsement for details)

OTHER

\$ 0

NJ Property-Liability Guarantee Association Surcharge

\$ 792.00

**TOTAL POLICY PREMIUM**

\$ 91,426.00

**RETROACTIVE DATE**

This insurance does not apply to loss, whenever occurring, from "wrongful acts" which took place before the Retroactive Date, if any, shown

NONE

Enter Date or "None" if no Retroactive Date applies

**OPTIONAL EXTENDED REPORTING PERIOD PREMIUM**

In Section VII - EXTENDED REPORTING PERIODS, we agree to provide an Optional Extended Reporting Period under certain conditions. The premium for such an Optional Extended Reporting Period is determined as shown in paragraph 5. of Section VII.

**FORMS AND ENDORSEMENTS APPLYING TO AND MADE PART OF THIS POLICY AT TIME OF ISSUE:**

SEE ATTACHED 14-E-0001

COUNTERSIGNED AT:

BY

DATE: December 21, 2012 LICENSED RESIDENT AGENT

COMPANY OFFICER

THESE DECLARATIONS AND THE COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

14-U-EOA Ed. 06-2008

SEE OVER FOR IMPORTANT CLAIMS-MADE COVERAGE NOTICE

Page 1 of 2

UNIBILL # 100723882

PREMIUM AMOUNT TO BE REFLECTED ON NEXT BILLING NOTICE

Agent # E0001

(Page 2 of 19)

(Page 2 of 17)

The policy which provides Insurance Agents and Brokers Errors and Omissions Liability Coverage applies on a claims made basis.

The following provides a general description of this coverage and is subject to the terms and provisions of the actual policy.

- A. The policy, subject to its terms and conditions, provides full prior acts coverage if no Retroactive Date is entered in the Declarations. If a Retroactive Date is entered in the Declarations, the policy will not apply to loss from "wrongful acts" which took place before the Retroactive Date. The policy will not apply to loss from "wrongful acts" which take place after the expiration of the policy period.
- B. The policy will apply to losses from "wrongful acts" which take place on or after the Retroactive Date, if any, but before the beginning of the policy period only if the insured did not know of the "wrongful acts" before the beginning of the policy period and if any claim is made according to D. below.
- C. The policy will not apply to any loss for which claim is first made after the expiration of the policy period or any Automatic or Optional Extended Reporting Period described in the Extended Reporting Period Section of the policy.
- D. The policy will apply only to claims which are first made:
  - 1. During the policy period;
  - 2. During the sixty day Automatic Extended Reporting Period described in the Extended Reporting Period Section of the policy; or
  - 3. During the Optional Extended Reporting Periods of 12 months to 120 months duration, described in the Extended Reporting Period Section of the policy. Such Optional Extended Reporting Period must be requested by the insured in writing, within sixty days after the date of termination of coverage or thirty days after the date of mailing by us of notice to the named insured advising of premiums for and provisions of Optional Extended Reporting Periods, in order to allow claims to be made against the policy coverage after the expiration of any Automatic Extended Reporting Period.
- E. We will send you a written notice within thirty days after any termination of coverage of costs for and provisions of Extended Reporting Periods.
- F. For the first three years of claims-made coverage, premiums will be comparatively lower than for occurrence coverage, and will increase for each renewal of those policies. Claims-made prices will still be somewhat lower than occurrence prices for mature accounts (in their fourth or later years). The purchase of Optional Extended Reporting Periods, as described above, requires additional premium payments.



**Utica National Insurance Group**

Insurance that starts with you.

Utica Mutual Insurance Company and its affiliated companies, New Hartford, N.Y. 13413

(Page 3 of 19)

(Page 3 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****POLICY CHANGES/EXTENSION SCHEDULE**

This Endorsement forms a part of the policy numbered below.

Policy Change  
Number \_\_\_\_\_

|  |  |
|--|--|
| Named Insured and Mailing Address<br>Borden-Perlman Insurance Agency Inc<br>2000 Lenox Drive<br>Suite 202<br>Lawrenceville, NJ 08648 | Policy Number<br>3735507 EO                |
|  | Policy Changes Effective<br>01/01/2013     |
|  | Company<br>Ulrica Mutual Insurance Company |

IT IS AGREED THAT for any box in Part A marked X, the policy is amended as stated in Part B.

|  |  |  |   |
|--|--|--|---|
| <b>P<br/>A<br/>R<br/>T<br/>A.</b>            | <input type="checkbox"/> NAME CHANGE                     | <input type="checkbox"/> ADDING LOCATION(S)                | <input type="checkbox"/> CHANGING STAFF                   |
|  | <input type="checkbox"/> ADDRESS CHANGE                  | <input type="checkbox"/> DELETING LOCATION                 | <input type="checkbox"/> VOIDING ENDORSEMENT              |
|  | <input type="checkbox"/> AMENDING PREMIUM                | <input type="checkbox"/> ADDING MUTUAL FUNDS               | <input type="checkbox"/> ADDING REAL ESTATE               |
|  | <input type="checkbox"/> ADDING ADDITIONAL INSURED       | <input type="checkbox"/> DELETING MUTUAL FUNDS             | <input type="checkbox"/> DELETING REAL ESTATE             |
|  | <input type="checkbox"/> DELETING ADDITIONAL INSURED     | <input type="checkbox"/> MUTUAL FUNDS - ADDING SOLICITOR   | <input type="checkbox"/> REAL ESTATE - ADDING SOLICITOR   |
|  | <input type="checkbox"/> AMENDING LIMIT OF LIABILITY     | <input type="checkbox"/> MUTUAL FUNDS - DELETING SOLICITOR | <input type="checkbox"/> REAL ESTATE - DELETING SOLICITOR |
| <input type="checkbox"/> AMENDING DEDUCTIBLE | <input type="checkbox"/> EXCLUSION OF DUPLICATE COVERAGE |  |   |

**FORMS AND ENDORSEMENTS APPLYING TO AND MADE PART OF THIS POLICY AT TIME OF ISSUE:**

|                        |    |         |             |    |         |             |
|------------------------|----|---------|-------------|----|---------|-------------|
| P<br>A<br>R<br>T<br>B. | NJ | 14DEOA  | Ed. 06/2000 | NJ | 14E0001 | Ed. 01/1991 |
|                        | NJ | 14E0005 | Ed. 10/1998 | NJ | 14E0012 | Ed. 10/1998 |
|                        | NJ | 14E0061 | Ed. 10/1998 | NJ | 14E0066 | Ed. 10/1998 |
|                        | NJ | 14E1094 | Ed. 03/2008 | NJ | 14E1095 | Ed. 03/2008 |
|                        | NJ | 14E1096 | Ed. 04/2010 | NJ | 14E1099 | Ed. 06/2008 |
|                        | NJ | 14PEOA  | Ed. 06/2008 | NJ | 8L1823  | Ed. 02/2002 |
|                        | NJ | 8L936   | Ed. 11/2008 |    |         |             |

**PREMIUM ADJUSTMENT**

ADDITIONAL PREMIUM

RETURN PREMIUM

  
 Authorized Representative Signature

(Page 4 of 19)

(Page 4 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****POLICY CHANGES/EXTENSION SCHEDULE**

This Endorsement forms a part of the policy numbered below.

Policy Change  
Number \_\_\_\_\_

|  |                                 |
|--|---------------------------------|
| Named Insured and Mailing Address<br>Borden-Perlman Insurance Agency Inc<br>2000 Lenox Drive<br>Suite 202<br>Lawrenceville, NJ 08648 | Policy Number                   |
|  | 3735507 EO                      |
|  | Policy Changes Effective        |
|  | 01/01/2013                      |
|  | Company                         |
|  | Ulrica Mutual Insurance Company |

IT IS AGREED THAT for any box in Part A marked X, the policy is amended as stated in Part B.

|                                   |  |  |   |
|-----------------------------------|--|--|---|
| <b>P<br/>A<br/>R<br/>T<br/>A.</b> | <input type="checkbox"/> NAME CHANGE                 | <input type="checkbox"/> ADDING LOCATION(S)                | <input type="checkbox"/> CHANGING STAFF                   |
|                                   | <input type="checkbox"/> ADDRESS CHANGE              | <input type="checkbox"/> DELETING LOCATION                 | <input type="checkbox"/> VOIDING ENDORSEMENT              |
|                                   | <input type="checkbox"/> AMENDING PREMIUM            | <input type="checkbox"/> ADDING MUTUAL FUNDS               | <input type="checkbox"/> ADDING REAL ESTATE               |
|                                   | <input type="checkbox"/> ADDING ADDITIONAL INSURED   | <input type="checkbox"/> DELETING MUTUAL FUNDS             | <input type="checkbox"/> DELETING REAL ESTATE             |
|                                   | <input type="checkbox"/> DELETING ADDITIONAL INSURED | <input type="checkbox"/> MUTUAL FUNDS - ADDING SOLICITOR   | <input type="checkbox"/> REAL ESTATE - ADDING SOLICITOR   |
|                                   | <input type="checkbox"/> AMENDING LIMIT OF LIABILITY | <input type="checkbox"/> MUTUAL FUNDS - DELETING SOLICITOR | <input type="checkbox"/> REAL ESTATE - DELETING SOLICITOR |
|                                   | <input type="checkbox"/> AMENDING DEDUCTIBLE         | <input type="checkbox"/> EXCLUSION OF DUPLICATE COVERAGE   |   |

**LOCATION SCHEDULE:**

It is hereby understood and agreed that the following location(s) are covered under the above mentioned policy.

**P  
A  
R  
T  
B.**

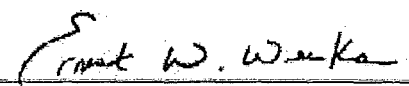
2000 Lenox Drive  
Suite 202  
Lawrenceville, NJ 08648

317 Cleveland Ave  
Highland Park, NJ 08904

212 Penn St.  
New Bethlehem, PA 16242

All other terms and conditions remain the same.

**PREMIUM ADJUSTMENT**

|   |                |
|---|----------------|
| ADDITIONAL PREMIUM  | RETURN PREMIUM |
|   |                |
| <br>Authorized Representative Signature |                |

(Page 5 of 19)

(Page 5 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****POLICY CHANGES/EXTENSION SCHEDULE**

This Endorsement forms a part of the policy numbered below.

Policy Change  
Number \_\_\_\_\_

|  |  |
|--|--|
| Named Insured and Mailing Address<br>Borden-Perlman Insurance Agency Inc<br>2000 Lenox Drive<br>Suite 202<br>Lawrenceville, NJ 08648 | Policy Number<br>3735507 EO                |
|  | Policy Changes Effective<br>01/01/2013     |
|  | Company<br>Ulrica Mutual Insurance Company |

IT IS AGREED THAT for any box in Part A marked X, the policy is amended as stated in Part B.

- |                                   |  |  |   |
|-----------------------------------|--|--|---|
| <b>P<br/>A<br/>R<br/>T<br/>A.</b> | <input type="checkbox"/> NAME CHANGE                 | <input type="checkbox"/> ADDING LOCATION(S)                | <input type="checkbox"/> CHANGING STAFF                   |
|                                   | <input type="checkbox"/> ADDRESS CHANGE              | <input type="checkbox"/> DELETING LOCATION                 | <input type="checkbox"/> VOIDING ENDORSEMENT              |
|                                   | <input type="checkbox"/> AMENDING PREMIUM            | <input type="checkbox"/> ADDING MUTUAL FUNDS               | <input type="checkbox"/> ADDING REAL ESTATE               |
|                                   | <input type="checkbox"/> ADDING ADDITIONAL INSURED   | <input type="checkbox"/> DELETING MUTUAL FUNDS             | <input type="checkbox"/> DELETING REAL ESTATE             |
|                                   | <input type="checkbox"/> DELETING ADDITIONAL INSURED | <input type="checkbox"/> MUTUAL FUNDS - ADDING SOLICITOR   | <input type="checkbox"/> REAL ESTATE - ADDING SOLICITOR   |
|                                   | <input type="checkbox"/> AMENDING LIMIT OF LIABILITY | <input type="checkbox"/> MUTUAL FUNDS - DELETING SOLICITOR | <input type="checkbox"/> REAL ESTATE - DELETING SOLICITOR |
|                                   | <input type="checkbox"/> AMENDING DEDUCTIBLE         | <input type="checkbox"/> EXCLUSION OF DUPLICATE COVERAGE   |   |

**NAMED INSURED:**

It is hereby understood and agreed that the named Insured is to read as follows:

Borden-Perlman Insurance Agency Inc

W S Borden Co

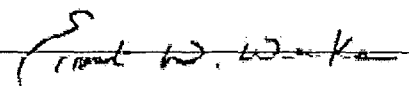
Richard P Perlman Agency

Borden-Perlman Insurance Agency Inc dba Pennington Insurance Services (eff 4-1-2012 as result of purchase. Temporary dba)

Borden-Perlman Insurance Agency Inc dba BOrder Perlman Salisbury and Kelly (eff 9-30-2012 as result of purchased entity)

Borden - Perlman Insurance Agency Inc dba Borden-Perlman Health Advocate

All other terms and conditions remain the same.

| PREMIUM ADJUSTMENT   |                |  |
|--|----------------|--|
| ADDITIONAL PREMIUM   | RETURN PREMIUM |  |
|  |                |  |

(Page 6 of 19)

(Page 6 of 17)

Authorized Representative Signature



(Page 7 of 19)

(Page 7 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PURCHASED ENTITY ENDORSEMENT**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)

(Claims-Made Policy)

### **SCHEDULE**

- I. Effective Date: 09/30/2012  
(If no date entered, coverage is effective from policy inception.)  
Additional Premium \$ 0 \_\_\_\_\_

**Purchased Entity:**

Parker Remsen and Sullivan

**Address:**

317 Cleveland Ave  
Highland Park, NJ 08904

- II. In consideration of the additional premium shown above or in the Declarations; it is agreed that the policy includes coverage subject to the policy terms and the additional exclusion below; for "wrongful acts" of the entity shown in the Schedule above or the Declarations as subject to this endorsement.  
SECTION IV - WHO IS AN INSURED, is amended to include such purchased entity.
- III. No insurance is provided for "wrongful acts" which occurred prior to the effective date of this endorsement.
- IV. With respect to the insurance provided by this endorsement, the following exclusion applies in addition to those in Section III - Exclusions of the policy:  
This insurance does not apply to:  
Any "claim" for, or arising out of a "wrongful act" which any insured knew of before the effective date of this endorsement.
- V. This insurance is afforded in reliance upon the statements in the application dated \_\_\_\_\_, which is hereby made a part of the policy.

(Page 8 of 19)

(Page 8 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****NEW JERSEY CHANGES****(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)  
(Claims-Made Policy)**

- A.** Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an insurer can use to cancel or nonrenew this policy are maintained by the insurer in writing and will be furnished to the insured and/or the insured's lawful representative upon written request.

This provision shall not apply to any policy which has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.

- B.** Part b. of Condition 5., Cancellation, (SECTION VI) is replaced by the following:

- b.** If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured and any person entitled to notice under this policy written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for:

- (a) Nonpayment of premium; or  
(b) Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f) as follows:

- (i) "The risk, danger or probability that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. Any change in the circumstances of an insured that will increase the probability of such a destruction may be considered a 'moral hazard;' and  
(ii) The substantial risk, danger or probability that the character, circumstances or personal habits of the insured may increase the possibility of loss or liability for which an insurer will be held responsible. Any change in the character or circumstances of an

individual, corporate, partnership or other insured that will increase the probability of such a loss or liability may be considered a 'moral hazard.'"

- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- C.** The following is added to Condition 5., Cancellation, (SECTION VI):

- g.** Cancellation of Policies In Effect For 60 Days or More

- (1) If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (a) Nonpayment of premium;  
(b) Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f);  
(c) Material misrepresentation or nondisclosure to us of a material fact at the time of acceptance of the risk;  
(d) Increased hazard or material change in the risk assumed which we could not have reasonably contemplated at the time of assumption of the risk;  
(e) Substantial breaches of contractual duties, conditions or warranties that materially affect the nature and/or insurability of the risk;  
(f) Lack of cooperation from the insured on loss control matters materially affecting insurability of the risk;  
(g) Fraudulent acts against us by the insured or its representative that materially affect the nature of the risk insured;  
(h) Loss of or reduction in available insurance capacity;  
(i) Material increase in exposure arising out of changes in statutory or case law subsequent to the issuance of the insurance contract or any subsequent renewal;



(Page 9 of 19)

(Page 9 of 17)

- (j) Loss of or substantial changes in applicable reinsurance;
  - (k) Failure by the insured to comply with any Federal, State or local fire, health, safety or building or construction regulation, law or ordinance with respect to an insured risk which substantially increases any hazard insured against within 60 days of written notification of a violation of any such law, regulation or ordinance;
  - (l) Failure by the insured to provide reasonable and necessary underwriting information to us upon written request therefor and a reasonable opportunity to respond;
  - (m) Agency termination, provided:
    - (i) We document that replacement coverage at comparable rates and terms has been provided to the first Named Insured, and we have informed the first Named Insured, in writing, of the right to continue coverage with us; or
    - (ii) We have informed the first Named Insured, in writing, of the right to continue coverage with us and the first Named Insured has agreed, in writing, to the cancellation or nonrenewal based on the termination of the first Named Insured's appointed agent.
  - (n) Any other reasons in accordance with our underwriting guidelines for cancellation of commercial lines coverage.
- (2) If we cancel this policy based on paragraph g.(1)(a) or (b) above, we will mail a written notice, stating the reason for cancellation, to the first Named Insured and any person entitled to notice under this policy, at least 10 days before the effective date of cancellation. For cancellation due to the nonpayment of premium, the notice will state the effect of nonpayment by the due date. Cancellation for nonpayment of premium will not be effective if payment of the amount due is made before the effective date set forth in the notice. If we cancel this policy for any other reason listed above, we will mail a written notice, stating the reason for cancellation, to the first Named Insured and any person entitled to notice under this policy, not more than 120 days nor less than 30 days before the effective date of such cancellation.
- (3) Notice will be sent to the last mailing addresses known to us, by:
    - (a) Certified mail; or
    - (b) First class mail, if we have obtained from the post office a date stamped proof of mailing showing names and addresses.
  - (4) We need not send notice of cancellation if you have:
    - (a) Replaced coverage elsewhere; or
    - (b) Specifically requested termination.
- D. The following is added and supersedes any other provision to the contrary:
- Nonrenewal.**
- a. We may elect not to renew this policy for any reason permitted to cancel it. If we elect not to renew this policy, we will mail a notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured at least 30 days but not more than 120 days before the expiration date of this policy.
  - b. This notice will be sent to the first Named Insured at the last mailing address known to us by:
    - (1) Certified mail; or
    - (2) First class mail, if we have obtained from the post office a date stamped proof of mailing showing the first Named Insured's name and address.
  - c. We need not mail or deliver this notice if you have:
    - (1) Replaced coverage elsewhere; or
    - (2) Specifically requested termination.
- E. As respects to item a. of Condition G., Your right To "Claim" and "Wrongful Act" Information, (SECTION VI) we will also include information on whether any "claim" arising out of a "wrongful act" is open or closed.

(Page 10 of 19)

(Page 10 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED ENDORSEMENT**

**(BUSINESS PLACED THROUGH YOU)**

**(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)  
(Claims-Made Policy)**

### **SCHEDULE**

- I. Effective Date: 01/01/2008  
(If no date entered, coverage is effective from policy inception.)  
Additional Premium \$ 0

Name of person or entity: Address:  
GTP (no longer exists, Original name for Mercadlen)

- II. In consideration of the additional premium shown above or in the Declarations, it is agreed that the policy includes coverage subject to the policy terms and the additional exclusion below; but only with respect to liability of the person or entity shown in the Schedule above or the Declarations as subject to this endorsement. This insurance applies only to "claims" which arise out of your "wrongful acts" in connection with business placed through or serviced by you.

SECTION IV - WHO IS AN INSURED, is amended to include such person or entity.

- III. With respect to the insurance provided by this endorsement, the following exclusion applies in addition to those in SECTION III - EXCLUSIONS of the policy.

This insurance does not apply to:

Any "claim" for, or arising out of a "wrongful act" which any insured knew of before the effective date of this endorsement.

(Page 11 of 19)

(Page 11 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED ENDORSEMENT**

**(BUSINESS PLACED THROUGH YOU)**

**(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)  
(Claims-Made Policy)**

### **SCHEDULE**

- I. Effective Date: 01/01/2008  
(If no date entered, coverage is effective from policy inception.)  
Additional Premium \$ 0

**Name of person or entity:**  
Borden Perlman Russo

**Address:**

- II. In consideration of the additional premium shown above or in the Declarations; it is agreed that the policy includes coverage subject to the policy terms and the additional exclusion below; but only with respect to liability of the person or entity shown in the Schedule above or the Declarations as subject to this endorsement. This insurance applies only to "claims" which arise out of your "wrongful acts" in connection with business placed through or serviced by you.  
SECTION IV - WHO IS AN INSURED, is amended to include such person or entity.

- III. With respect to the insurance provided by this endorsement, the following exclusion applies in addition to those in SECTION III - EXCLUSIONS of the policy.

This insurance does not apply to:

Any "claim" for, or arising out of a "wrongful act" which any insured knew of before the effective date of this endorsement.

(Page 12 of 19)

(Page 12 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED ENDORSEMENT**

**(BUSINESS PLACED THROUGH YOU)**

**(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)  
(Claims-Made Policy)**

### **SCHEDULE**

- I. Effective Date: 01/01/2008  
(If no date entered, coverage is effective from policy inception.)  
Additional Premium                      \$ 0

**Name of person or entity:**  
Mercadien Ins Services LLC

**Address:**

- II. In consideration of the additional premium shown above or in the Declarations: it is agreed that the policy includes coverage subject to the policy terms and the additional exclusion below; but only with respect to liability of the person or entity shown in the Schedule above or the Declarations as subject to this endorsement. This insurance applies only to "claims" which arise out of your "wrongful acts" in connection with business placed through or serviced by you.  
SECTION IV - WHO IS AN INSURED, is amended to include such person or entity.

- III. With respect to the insurance provided by this endorsement, the following exclusion applies in addition to those in SECTION III - EXCLUSIONS of the policy.

This insurance does not apply to:

Any "claim" for, or arising out of a "wrongful act" which any Insured knew of before the effective date of this endorsement.

(Page 13 of 19)

(Page 13 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIOR ACTS LIMITATION ENDORSEMENT**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)  
(Claims-Made Policy)

### **SCHEDULE**

- I. Effective Date: 04/01/2012  
(If no date entered, coverage is effective from policy inception.)

DESIGNATED PERSON OR ENTITY:

RETROACTIVE DATE:

Horden-Perman Insurance Agency Inc dba Pennington Ins Serv 04/01/2012

- II. It is agreed that such insurance as is afforded by this policy for any Designated Person or Entity listed in the Schedule above is subject to the retroactive date shown for that person or entity. Such insurance applies only to "wrongful acts" which take place on or after the retroactive date shown in I. above.

(Page 14 of 19)

(Page 14 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **RESPONSE TO REGULATORY AGENCIES**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)

(Claims-Made Policy)

### **SCHEDULE**

**I. Effective Date:**

(If no date entered, coverage is effective from policy inception.)

**II. Under SECTION II - COVERAGE, the following is added to Insuring Agreement:**

The "loss" must be caused by "wrongful acts" committed in the conduct of the insured's business, wherever committed or alleged to have been committed, by the insured or any person for whose "wrongful acts" the insured is legally liable, arising out of the response to a complaint or the defense of an investigation brought by any:

- (1) Insurance department;
- (2) State regulatory agency; or
- (3) Other governmental agency

You must provide us with prompt written notice and obtain our written consent before responding, and agree to the use of an attorney retained by us, or hired by you with our written consent.

This insurance does not apply to salaries of your regular employees/officials, income loss, fines or penalties, fee or commission returns, or premium reimbursements.

The most we will pay under this insurance is \$25,000 per "policy period" for all "loss" and "claim expenses". Payments under this insurance will not increase the applicable Limit of Liability shown in the Declarations.



(Page 15 of 19)

(Page 15 of 17)

POLICY NUMBER: 3735507 EO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LIMITED PARTIAL OWNERSHIP**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)

(Claims-Made Policy)

### **SCHEDULE**

- I. Effective Date:  
(If no date entered, coverage is effective from policy inception.)
- II. Under **SECTION III - EXCLUSIONS**, paragraph 6. is replaced by the following:  
This insurance does not apply to:
  6. A "claim" by any entity or individual which:
    - a. Is wholly or partially owned, operated, managed, or controlled by the insured;
    - b. Did wholly or partially own, operate, manage or control the insured; or
    - c. Is wholly or partially under the same ownership, operation, management, or financial control as the insured.

However, this exclusion does not apply if the percentage of partial ownership, operation, management, or control is 10% or less.

(Page 16 of 19)

(Page 16 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - RECORDING AND DISTRIBUTION OF  
MATERIAL OR INFORMATION IN VIOLATION OF LAW**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)

(Claims-Made Policy)

- I. The following exclusion applies in addition to those in Section III - Exclusions of the policy:  
This insurance does not apply to any "claim" or "suit" arising directly or indirectly out of or resulting from any "wrongful act", action or omission that violates or is alleged to violate:
- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
  - (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
  - (3) Any federal, state or local statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003 and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

(Page 17 of 19)

(Page 17 of 17)

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - VIATICAL SETTLEMENTS  
AND LIFE SETTLEMENTS**

(For attachment to Insurance Agents and Brokers Errors and Omissions Liability Policy)

(Claims-Made Policy)

- II. The following exclusion applies in addition to those in Section III - Exclusions of the policy:

This insurance does not apply to:

Any claim against an insured based on or arising directly or indirectly out of or in any way involving:

(1) Viatical settlements, viatical insurance benefits, viatical investment pools or any security backed by viatical settlements; or

(2) Life settlements.